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# **FHA Portfolio Analysis**

**Data as of September 2003**

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Federal Housing Administration Monthly Report  
*FHA Portfolios Summary*  
September 2003

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PORTFOLIO	NUMBER	DOLLARS (Billions)	CHANGE FROM PRIOR YEAR
Single Family Insured	5,344,611	\$ 438.3	-15.5%
Multifamily Insured	13,681	\$ 55.9	1.3%
Title I Property Improvement Insured	82,130	\$ 1.2	-31.1%
Title I Manufactured Housing Insured	38,305	\$ 1.0	-8.7%
Single Family Notes	473	\$ 0.02	-30.6%
Multifamily Notes	2,398	\$ 3.1	10.9%
Title I Notes	35,724	\$ 0.5	-6.6%
Single Family Properties	34,144	\$ 3.1	8.7%
Multifamily Properties	20	\$ 0.04	-68.9%

## ***Multifamily Insured Portfolio***

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### **Endorsements**

- At the end of this fiscal year, FHA endorsed a total of 1,338 mortgages compared to 1,104 mortgages in FY 2002.
- For the month of September, new construction and substantial rehabilitation mortgages totaled 55 for \$617 million.
- During Fiscal Year 2003, the number of Section 221(d)(4) mortgages was 643 insured for \$3.3 billion.
- For FY 2003, health care facilities endorsements totaled 307 for \$2.2 billion, compared to 313 endorsements for \$1.9 billion for FY 2002.

### **Insurance-in-Force**

- At the end of September 2003, the dollar volume of FHA's multifamily insurance-in-force was \$55.9 billion, 1.3 percent above the amount at the same time last year.
- Since September 2002, the number of FHA insured mortgages declined 4.0 percent to 13,681.

### **Prepayments**

- For FY 2003, the number of prepayments totaled 1,432 for \$4.6 billion, compared to 1,062 prepayments for \$3.2billion during FY 2003 – 46 percent higher than a year ago.

### **Claims**

- The number of claims processed through the end of this fiscal year was 354 on loans for \$1 billion, compared to 462 claims for \$1.2 billion for the same period a year ago.

**Federal Housing Administration Monthly Report**  
**Multifamily Insured Portfolio**

	Current Month Sep 2003			Current FYTD Oct 2002-Sep 2003			Prior FYTD Oct 2001-Sep 2002			Percent Change Dollars
	Number	Units	Dollars (\$M)	Number	Units	Dollars (\$M)	Number	Units	Dollars (\$M)	
<b>Insurance in Force(Beginning)</b>	<b>13,662</b>	<b>1,632,839</b>	<b>\$55,482.0</b>	<b>14,248</b>	<b>1,694,502</b>	<b>\$55,158.0</b>	<b>14,722</b>	<b>1,736,263</b>	<b>\$54,791.1</b>	<b>0.7%</b>
<b>FY Prepayments(-)</b>	(181)	(23,876)	(\$633.4)	(1,432)	(183,449)	(\$4,614.1)	(1,062)	(134,141)	(\$3,159.6)	46.0%
<b>FY Claim Terminations(-)</b>	(39)	(3,454)	(\$108.7)	(354)	(34,183)	(\$1,016.4)	(462)	(42,206)	(\$1,175.0)	-13.5%
<b>FY Endorsements(+)</b>	238	29,745	\$1,213.1	1,338	173,481	\$7,646.2	1,104	141,208	\$6,521.3	17.2%
FY Endorsements by Mortgage type										
New Construction/Sub Rehab	55	7,986	\$617.0	343	52,555	\$3,770.4	336	54,285	\$3,689.2	2.2%
Refinance	153	19,328	\$570.7	783	103,539	\$3,613.1	530	66,229	\$2,605.5	38.7%
Supplemental/Equity	0	0	\$0.0	9	0	\$78.7	8	0	\$17.0	363.8%
Operating Loss	0	0	\$0.0	2	0	\$3.8	4	0	\$2.8	37.4%
Portfolio Re-engineering	30	2,431	\$25.4	201	17,387	\$180.1	226	20,694	\$206.8	-12.9%
FY Endorsements by Program type										
Rental Housing										
Section 221(d)(3) & 236	8	565	\$38.9	44	2,272	\$117.9	89	6,737	\$216.3	-45.5%
Section 221(d)(4)	118	14,266	\$540.8	643	80,545	\$3,329.5	424	59,588	\$2,848.1	16.9%
Other Rental	56	8,504	\$268.5	270	43,989	\$1,511.7	221	32,560	\$1,105.9	36.7%
Risk Share	17	1,900	\$116.0	74	9,942	\$513.6	57	7,193	\$435.9	17.8%
Health Care Facilities										
Nursing Homes	25	3,572	\$128.0	207	27,184	\$1,245.9	215	26,818	\$1,255.0	-0.7%
BoardCare	2	90	\$2.7	16	1,795	\$97.7	10	537	\$43.0	126.9%
Assisted Living	8	544	\$39.5	77	6,373	\$544.9	87	7,726	\$591.0	-7.8%
Hospitals	4	304	\$78.7	7	1,381	\$284.9	1	49	\$26.1	991.5%
<b>Prior FY Prepayments(-)</b>	(8)	(1,224)	(\$14.3)	(152)	(19,400)	(\$434.9)	(92)	(10,736)	(\$262.7)	
<b>Prior FY Claims(-)</b>	0			(2)	(160)	(\$3.9)	(2)	(332)	(\$2.0)	
<b>Prior FY Endorsements(+)</b>	6	583	\$13.4	33	4,698	\$122.8	35	3,940	\$140.5	
<b>Adjustments</b>	3	415	(\$58.9)	2	(461)	(\$964.5)	5	506	(\$1,695.6)	
<b>Insurance in Force(Ending)</b>	<b>13,681</b>	<b>1,635,028</b>	<b>\$55,893.3</b>	<b>13,681</b>	<b>1,635,028</b>	<b>\$55,893.3</b>	<b>14,248</b>	<b>1,694,502</b>	<b>\$55,158.0</b>	<b>1.3%</b>

Note: Dollars represent original mortgage amount for endorsements and unpaid principal balance for insurance in force and terminations.  
Units are not counted for Supplemental, Equity or Operating Loss mortgages.

## ***Multifamily Notes and Properties***

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### **Notes**

- The multifamily note inventory compared to last year increased by 10.9 percent in dollars to \$3.1 billion compared to last year and increased in number from 2,141 to 2,398 notes as of September 2003.
- At the end of FY 2003, multifamily note assignments decreased to 508 from 690 note assignments for FY 2002, and the dollar amount of the notes assigned was \$961.4 million, which was 6.1 percent below the \$1billion for FY 2002.

### **Properties**

- The balance of the property inventory was 20 with a cost of \$41.2 million compared to 39 for \$132.6 million the same time a year ago, a decrease of 68.9 percent in dollars.

**Federal Housing Administration Monthly Report**  
**Multifamily Notes and Properties**

	Current Month Sep 2003			Current FYTD Oct 2002-Sep 2003			Prior FYTD Oct 2001-Sep 2002			Percent Change Dollars
	Number	Units	Dollars (\$M)	Number	Units	Dollars (\$M)	Number	Units	Dollars (\$M)	
<b>Notes(Beginning)</b>	<b>2,368</b>	<b>180,508</b>	<b>\$3,212.9</b>	<b>2,141</b>	<b>160,152</b>	<b>\$2,825.4</b>	<b>1,733</b>	<b>123,667</b>	<b>\$2,600.2</b>	<b>8.7%</b>
Pay Offs(-)	(12)	(735)	(\$11.1)	(80)	(5,355)	(\$105.0)	(87)	(5,543)	(\$128.7)	-18.4%
Conversions(-)	(6)	(996)	(\$22.2)	(16)	(3,049)	(\$47.7)	(13)	(1,264)	(\$46.2)	3.3%
Sales(-)	(49)	(5,664)	(\$165.0)	(130)	(15,921)	(\$489.3)	(166)	(17,339)	(\$610.6)	-19.9%
Assignments/Seconds(+)	99	7,973	\$118.6	508	47,834	\$961.4	690	61,874	\$1,023.8	-6.1%
Assignments/Seconds by type										
Portfolio Re-engineering	87	6,667	\$76.2	390	33,337	\$480.6	503	41,196	\$406.7	18.2%
Section 221(g)(4)	0			8	1,119	\$23.6	48	5,410	\$115.0	-79.5%
Other Assignments	12	1,306	\$42.4	110	13,378	\$457.2	139	15,268	\$502.1	-8.9%
Adjustments	(2)	(142)	(\$0.6)	(25)	(2,717)	(\$12.2)	(16)	(1,243)	(\$13.2)	
<b>Notes(Ending)</b>	<b>2,398</b>	<b>180,944</b>	<b>\$3,132.6</b>	<b>2,398</b>	<b>180,944</b>	<b>\$3,132.6</b>	<b>2,141</b>	<b>160,152</b>	<b>\$2,825.4</b>	<b>10.9%</b>
<b>Properties(Beginning)</b>	<b>21</b>	<b>3,081</b>	<b>\$41.7</b>	<b>39</b>	<b>4,489</b>	<b>\$132.6</b>	<b>55</b>	<b>6,691</b>	<b>\$162.7</b>	<b>-18.5%</b>
Conversions(+)	6	996	\$21.8	16	3,049	\$46.9	11	1,095	\$31.1	50.8%
Sales(-)	(7)	(1,061)	(\$22.3)	(35)	(4,522)	(\$138.3)	(27)	(3,297)	(\$61.2)	126.0%
<b>Properties(Ending)</b>	<b>20</b>	<b>3,016</b>	<b>\$41.2</b>	<b>20</b>	<b>3,016</b>	<b>\$41.2</b>	<b>39</b>	<b>4,489</b>	<b>\$132.6</b>	<b>-68.9%</b>

Note: Dollars represent assignment amount for notes and acquisition cost for properties; Data for notes are from Aug 20 - Sep 30 for current month and from Oct 1 - Sep 30 for FYTD.  
Data for properties are from Sep 1-Sep 30 for current month and from Oct 1 - Sep 30 for FYTD  
Units are not counted for Supplemental, Equity, or Operating Loss mortgages that are not in the first position.

## *Single Family Insured Portfolio*

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### **Insurance-in-Force**

- From September 2002 to September 2003, FHA single family insurance-in-force decreased by 980,231 insured mortgages. This was a drop of 15 percent to 5,344,611 in number of active mortgages.
- At the end of September 2003, the dollar amount of insurance-in-force had decreased 12.2 percent compared to a year ago.

### **Prepayments**

- At the end of this fiscal year, single family prepayments totaled 2,215,255; 49 percent above the number of prepayments during Fiscal Year 2002.

### **Claims**

- Single family claim terminations processed for FY 2003 has increased by 23 percent compared to last fiscal year.

### **Endorsements**

- During this fiscal year, FHA endorsed 1,337,001 mortgages, including HECM's, totaling \$160 billion, 3.7 percent above the number reported during the same time a year ago.
- Through the end of this fiscal year, Mutual Mortgage Insurance Fund endorsements increased by 4 percent to 1,218,863 from 1,170,127 during FY 2002.
- For this fiscal year, the number of condominium mortgages decreased by 3 percent to 94,475 compared to the same period in FY 2002.
- Loans to purchase and improve homes under Section 203(k) decreased 32 percent to 5,024 for FY 2003 compared to last fiscal year.
- At the end of FY 2003, adjustable rate mortgages (ARM's) decreased 5 percent compared to the same time a year ago, numbering 85,386; fixed rate mortgages (FRM's) increased 4 percent to 1,234,005 mortgages.
- Refinancings have increased 60 percent in number from 412,778 during FY 2002 to 661,755 during the same time in FY 2003.
- Endorsements that used Freddie Mac Loan Prospector for credit processing represented 41 percent of all endorsements, while Fannie Mae represented 22 percent of all endorsements for FY 2003.

**Federal Housing Administration Monthly Report**  
**Single Family Insured Portfolio**

	Current Month Sep 2003		Current FYTD Oct 2002-Sep 2003		Prior FYTD Oct 2001-Sep 2002		Percent Change (Number)
	Number	Dollars (\$M)	Number	Dollars (\$M)	Number	Dollars (\$M)	
<b>Insurance-in-Force (Beginning)</b>	5,394,584	\$ 439,772.0	6,318,343	\$ 505,877.1	6,599,954	\$ 492,183.3	-4%
Prepayments(-)	(178,427)	\$ (16,609.6)	(2,215,255)	\$ (212,074.7)	(1,486,097)	\$ (127,685.0)	49%
Claim Terminations(-)	(6,646)	\$ (554.1)	(84,367)	\$ (6,915.9)	(68,577)	\$ (5,439.1)	23%
Endorsements(+)	133,093	\$ 16,107.3	1,319,391	\$ 157,915.1	1,276,265	\$ 145,841.4	3%
HECM Endorsements	1,176	\$ 102.8	17,610	\$ 2,102.5	13,048	\$ 1,301.2	35%
<i>Endorsements by Program</i>							
MMIF	124,205	\$ 15,044.4	1,218,863	\$ 146,121.0	1,170,127	\$ 134,059.9	4%
GIF/SRIF	8,888	\$ 1,062.8	100,528	\$ 11,794.2	106,138	\$ 11,781.5	-5%
234 Condo	8,447	\$ 1,004.5	94,475	\$ 11,008.7	97,662	\$ 10,736.3	-3%
203(k) Improvement	331	\$ 48.0	5,024	\$ 683.7	7,378	\$ 939.9	-32%
Other	110	\$ 10.3	1,029	\$ 101.8	1,098	\$ 105.3	-6%
<i>Endorsements by Type</i>							
Adjustable Rate Mortgages	10,074	\$ 1,475.6	85,386	\$ 12,279.0	90,181	\$ 12,285.6	-5%
Fixed Rate Mortgages	123,019	\$ 14,631.7	1,234,005	\$ 145,636.1	1,186,084	\$ 133,555.9	4%
<i>Endorsements by Purpose</i>							
Refinancings	71,562	\$ 8,479.2	661,755	\$ 78,804.4	412,778	\$ 47,761.9	60%
Purchases	61,531	\$ 7,628.1	657,636	\$ 79,110.7	863,487	\$ 98,079.6	-24%
<i>Endorsements by Credit Processing*</i>							
FHA	58,284	\$ 6,774.4	490,164	\$ 56,380.2	480,133	\$ 54,565.1	2%
FHLMC Scorecard	47,514	\$ 5,850.5	540,145	\$ 65,315.5	546,691	\$ 62,295.6	-1%
FNMA Scorecard	27,295	\$ 3,482.4	289,082	\$ 36,219.4	249,441	\$ 28,980.8	16%
Adjustments	2,007	\$ (404.3)	6,499	\$ (6,490.4)	3,297	\$ (5,514.0)	
<b>Insurance-in-Force (Ending)</b>	5,344,611	\$ 438,311.2	5,344,611	\$ 438,311.2	6,324,842	\$ 499,386.7	-15%

Note: Dollars represent unpaid balance.



## ***Single Family Notes and Properties***

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### **Notes**

- The single family note inventory declined by 31 percent in FY 2003 compared to FY 2002.
- For FY 2003, the number of notes on which FHA foreclosed, resulting in conversions to properties, was 193 compared to 255 converted during FY 2002.

### **Properties**

- The single family property inventory had 34,144 properties at the end of FY 2003, which is 9 percent higher than a year ago.
- Property sales numbered 70,965 in FY 2003, compared to 62,979 in FY 2002.
- During the month of September 2003, property sales exceeded new property conveyances by more than 1 percent.

**Federal Housing Administration Monthly Report**  
***Single Family Notes and Properties***

	Current Month Sep 2003		Current FYTD Oct 2002-Sep 2003		Prior FYTD Oct 2001-Sep 2002		Percent Change (Number)
	Number	Dollars (\$M)	Number	Dollars (\$M)	Number	Dollars (\$M)	
<b>Notes (Beginning)</b>	490	\$ 18.7	682	\$ 26.7	987	\$ 40.6	-31%
Pay-Offs(-)	(5)	\$ (0.1)	(91)	\$ (2.0)	(106)	\$ (1.7)	-14%
Conversions(-)	(14)	\$ -	(193)	\$ -	(255)	\$ -	-24%
Sales(-)	-	\$ -	-	\$ -	-	\$ -	
Assignments MNA(+)	3	\$ 0.1	64	\$ 3.0	115	\$ 5.4	-44%
Assignments PMM(+)	1	\$ -	4	\$ -	2	\$ 0.1	100%
Adjustments	(2)	\$ (0.7)	7	\$ (9.6)	(61)	\$ (17.5)	
<b>Notes (Ending)</b>	473	\$ 18.0	473	\$ 18.0	682	\$ 26.7	-31%
<b>Properties (Beginning)</b>	34,215	\$ 3,149.6	31,224	\$ 2,791.3	29,689	\$ 2,607.7	5%
Sales(-)	(6,377)	\$ (588.3)	(70,965)	\$ (6,546.8)	(62,979)	\$ (5,630.1)	13%
Conversions(+)	14	\$ -	193	\$ -	255	\$ -	-24%
Conveyances(+)	6,292	\$ 581.8	74,293	\$ 6,871.6	63,526	\$ 5,701.8	17%
Adjustments	-	\$ 6.9	(601)	\$ 33.8	925	\$ 129.1	
<b>Properties (Ending)</b>	34,144	\$ 3,149.9	34,144	\$ 3,149.9	31,416	\$ 2,808.5	9%

Note: Dollars represent unpaid balance for notes and acquisition cost for properties.

## *Single Family Detail*

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### **Defaults**

- At the end of August 2003, FHA's single family default rate reached a high of 6.11 percent, compared to 4.45 percent at the same time a year ago.
- The 50 metropolitan statistical areas (MSAs) with the highest default rates as of August 2003 accounted for 31.2 percent of the national total of defaults.
- All but seven of the MSAs in the top 50 that have endorsed ARMS have higher default rates on ARMs than on FRMs.

### **Loss Mitigation Activity**

- Use of loss mitigation methods to keep borrowers in their homes decreased one percent during FY 2003 compared to the same time a year ago.
- During this fiscal year, lenders used loan modifications a total of 27,937 times compared to 24,017 times during the same period last fiscal year.
- Lenders used partial claims a total of 12,147 times for FY 2003 compared to 12,236 times during the same period last fiscal year.

### **Insurance Claims**

- At the end of this fiscal year, pre-foreclosure sales decreased by 2 percent to 3,759, deeds-in-lieu fell one percent to 499 compared to the same period a year ago.
- Conveyance foreclosure claims number 73,254, up 14 percent during FY 2003 compared to FY 2002 when they were 64,245.

# Federal Housing Administration Monthly Report

## Single Family Detail

	Current Month Sep 2003 Number	Current FYTD Oct 2002-Sep 2003 Number	Prior FYTD Oct 2001-Sep 2002 Number	Percent Change
<b>Status of Insurance-in-Force*</b>				
Current	5,065,195	5,065,195	6,078,633	-17%
In Default (90 or more days delinquent)	329,389	329,389	283,262	16%
Total Insurance-in-Force	5,394,584	5,394,584	6,361,895	-15%
Default Rate	6.11%	6.11%	4.45%	
<b>Loss Mitigation Activity **</b>				
Forbearance Agreements	2,765	27,919	32,502	-14%
Loan Modifications	2,725	27,937	24,017	16%
Partial Claims	1,161	12,147	12,236	-1%
Total	6,651	68,003	68,755	-1%
<b>Insurance Claims</b>				
Conveyance Foreclosure	6,124	73,254	64,245	14%
Pre-Foreclosure Sale	321	3,759	3,824	-2%
Deed-in-Lieu of Foreclosure	30	499	503	-1%
Other***	171	6,855	5	0%
Total	6,646	84,367	68,577	23%

\*August data: September data not available until after October 31, 2003.

\*\*Counts are based on settlement dates of loss mitigation claims.

\*\*\*Accelerated Claims Disposition Demonstration Program (601)

(Data as of August, 2003)

Rank	MSA Name	Default Rates						Total IIF			Defaults		
		Current Year Aug. 2003			Prior Year Aug. 2002			Current Year	Prior Year	Percent	Current Year	Prior Year	Percent
		Total	FRM	ARM	Total	FRM	ARM	Aug. 2003	Aug. 2002	Change	Aug. 2003	Aug. 2002	Change
1	NEW YORK, NY	12.69	12.63	13.55	10.75	10.46	15.24	36,693	45,247	-19%	4,657	4,864	-4%
2	MEMPHIS, TN-AR-MS	12.60	12.41	16.27	9.86	9.61	14.64	64,627	73,461	-12%	8,145	7,241	12%
3	VINELAND-MILLVILLE-BRIGETON, NJ	12.55	12.44	15.00	10.39	10.18	14.92	3,786	4,188	-10%	475	435	9%
4	NASSAU-SUFFOLK, NY	12.38	12.23	16.20	9.11	8.93	14.27	23,059	32,947	-30%	2,855	3,002	-5%
5	NEWARK, NJ	11.14	11.03	12.85	8.83	8.68	11.35	23,586	28,981	-19%	2,627	2,560	3%
6	CLEVELAND-LORAIN-ELYRIA, OH	10.93	10.67	14.74	7.78	7.45	12.86	35,973	40,499	-11%	3,930	3,152	25%
7	PHILADELPHIA, PA-NJ	10.43	10.17	14.62	8.00	7.68	12.84	111,681	133,475	-16%	11,653	10,682	9%
8	SUMTER, SC	10.33	10.37	8.70	7.69	7.60	10.71	891	962	-7%	92	74	24%
9	ATLANTIC-CAPE MAY, NJ	10.00	9.66	15.07	7.30	6.90	13.72	7,421	9,709	-24%	742	709	5%
10	TRENTON, NJ	9.99	9.76	13.22	7.66	7.31	12.24	5,083	6,035	-16%	508	462	10%
11	DETROIT, MI	9.80	10.26	5.88	6.62	6.73	5.39	76,814	89,121	-14%	7,530	5,901	28%
12	HAMILTON-MIDDLETOWN, OH	9.77	9.75	9.86	6.57	6.22	9.50	6,482	7,561	-14%	633	497	27%
13	BIRMINGHAM, AL	9.72	9.63	11.43	7.61	7.48	10.18	25,978	29,810	-13%	2,525	2,269	11%
14	FALL RIVER, MA-RI	9.68	10.00	9.09	6.00	5.71	6.67	31	50	-38%	3	3	0%
15	YOUNGSTOWN-WARREN, OH	9.64	9.75	6.78	7.64	7.67	6.70	6,585	7,291	-10%	635	557	14%
16	JERSEY CITY, NJ	9.64	9.41	14.62	7.49	7.34	11.29	4,854	6,394	-24%	468	479	-2%
17	ROCKFORD, IL	9.56	9.05	15.00	8.17	7.46	15.14	8,015	8,696	-8%	766	710	8%
18	GARY, IN	9.55	9.34	13.12	7.25	6.98	11.72	15,140	17,194	-12%	1,446	1,247	16%
19	MONMOUTH-OCEAN, NJ	9.34	9.11	12.73	6.81	6.45	12.26	12,479	17,975	-31%	1,166	1,224	-5%
20	TERRE HAUTE, IN	9.22	8.98	16.22	7.20	6.85	15.56	1,128	1,111	2%	104	80	30%
21	JANESVILLE-BELOIT, WI	9.14	8.39	13.79	7.02	6.18	12.12	1,039	1,169	-11%	95	82	16%
22	TOLEDO, OH	9.14	9.28	6.80	5.75	5.64	7.96	5,397	6,396	-16%	493	368	34%
23	AGUADILLA, PR	9.12	9.12	0.00	6.96	6.96	0.00	1,184	1,365	-13%	108	95	14%
24	RACINE, WI	9.04	8.64	14.67	6.88	6.27	15.03	2,256	2,502	-10%	204	172	19%
25	INDIANAPOLIS, IN	8.89	8.77	9.83	6.46	6.12	9.02	62,323	68,626	-9%	5,542	4,430	25%

**Federal Housing Administration Monthly Report**  
**Single Family Detail (continued)**

**MSA's With The Highest Single Family Default Rates**  
(Data as of August, 2003)

Rank	MSA Name	Default Rates						Total IIF			Defaults		
		Current Year Aug. 2003			Prior Year Aug. 2002			Current Year Aug. 2003	Prior Year Aug. 2002	Percent Change	Current Year Aug. 2003	Prior Year Aug. 2002	Percent Change
		Total	FRM	ARM	Total	FRM	ARM						
26	CHATTANOOGA, TN-GA	8.89	8.90	8.20	6.18	6.08	10.45	10,152	11,596	-12%	902	717	26%
27	CHICAGO, IL	8.86	8.54	10.55	6.93	6.34	10.19	135,324	167,264	-19%	11,993	11,595	3%
28	ATLANTA, GA	8.78	8.69	9.68	6.10	5.86	8.77	156,588	179,207	-13%	13,752	10,927	26%
29	NEWBURGH, NY-PA	8.76	8.54	14.56	6.38	6.15	12.16	2,924	3,872	-24%	256	247	4%
30	MANSFIELD, OH	8.71	8.71	8.73	6.77	6.70	7.63	1,458	1,581	-8%	127	107	19%
31	KENOSHA, WI	8.61	8.03	14.35	6.94	6.25	13.64	2,358	2,826	-17%	203	196	4%
32	COLUMBUS, OH	8.58	8.24	11.99	6.04	5.57	10.76	49,307	55,859	-12%	4,230	3,372	25%
33	CANTON-MASSILLON, OH	8.58	8.60	8.28	6.08	5.89	9.34	4,606	5,227	-12%	395	318	24%
34	MIDDLESEX-SOMERSET-HUNTERDON,NJ	8.38	8.32	8.98	6.01	5.81	8.36	10,518	14,461	-27%	881	869	1%
35	WATERBURY, CT	8.26	8.12	10.53	5.09	4.74	10.62	5,766	6,821	-15%	476	347	37%
36	CINCINNATI, OH-KY-IN	8.25	8.16	9.13	5.81	5.58	8.04	27,969	32,437	-14%	2,307	1,883	23%
37	DAYTON-SPRINGFIELD, OH	8.23	8.03	10.37	5.50	5.20	8.88	21,015	23,912	-12%	1,729	1,314	32%
38	AKRON, OH	8.22	8.18	8.89	6.02	5.84	9.42	11,142	12,966	-14%	916	781	17%
39	READING, PA	8.18	7.99	11.31	6.19	6.13	7.03	5,024	5,400	-7%	411	334	23%
40	BERGEN-PASSAIC, NJ	8.10	7.73	15.20	6.66	6.40	11.40	9,218	11,944	-23%	747	795	-6%
41	LIMA, OH	8.07	7.81	13.46	5.44	5.37	6.90	1,128	1,231	-8%	91	67	36%
42	TUSCALOOSA, AL	8.04	7.71	14.52	6.60	6.26	12.41	2,524	2,622	-4%	203	173	17%
43	GREENVILLE-SPARTANBURG-ANDERSON, SC	8.03	7.98	8.89	5.03	4.88	8.03	10,005	10,996	-9%	803	553	45%
44	DAVENPORT-MOLINE-ROCK ISLAND, IA-IL	7.90	7.85	8.61	5.48	5.30	7.75	4,367	5,297	-18%	345	290	19%
45	MILWAUKEE-WAUKESHA, WI	7.85	7.67	11.70	5.51	5.31	9.66	8,065	9,681	-17%	633	533	19%
46	BATON ROUGE, LA	7.85	7.79	11.11	5.72	5.67	9.09	16,214	18,162	-11%	1,272	1,039	22%
47	ROCKY MOUNT, NC	7.75	7.52	10.53	5.87	5.81	6.67	1,278	1,363	-6%	99	80	24%
48	JACKSON, MI	7.74	7.67	8.91	4.61	4.75	1.94	1,782	2,082	-14%	138	96	44%
49	PONCE, PR	7.71	7.71	0.00	6.37	6.37	0.00	5,289	5,918	-11%	408	377	8%
50	JACKSONVILLE, FL	7.71	7.67	8.58	5.46	5.33	9.03	28,382	33,103	-14%	2,187	1,808	21%

Source SFDW

Data as of August 2003

## ***Title I Portfolios***

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### **Insurance-in-Force**

- Property improvement insurance-in-force in September 2003 declined to \$1.2 billion, down 32 percent in dollars from a year ago.
- Manufactured housing insurance-in-force declined to \$1 billion, a drop of 6.3 percent in dollars from a year ago.

### **Prepayments**

- Property improvement loan prepayments decreased 26 percent during this fiscal year compared to the number reported during the prior fiscal year.
- Manufactured housing loan prepayments decreased 51 percent during this fiscal year compared to the number reported during the prior fiscal year.

### **Claims**

- For FY 2003, property improvement claim terminations processed decreased by 33 percent compared to FY 2002.
- During FY 2003, manufactured housing claims processed decreased 16 percent compared to FY 2002.

### **Endorsements**

- Property improvement endorsements have totaled 4,844 for this fiscal year, compared to 7,578 during the same period in FY 2002.
- During the past twelve months of this fiscal year, there have been 2,067 manufactured housing endorsements, compared to 1,588 at this time in FY 2002.

### **Notes**

- The Title I note portfolio numbered 35,724 notes at the end of September of FY 2003, compared to 38,228 at the same time in the previous fiscal year.
- At the end of September FY 2003, a total of 3,506 Title I cases had been closed, up 44 percent compared to the 2,435 closed in the same period in FY 2002.

**Federal Housing Administration Monthly Report**  
***Title I Portfolios***

	Current Month Sep 2003		Current FYTD Oct 2002-Sep 2003		Prior FYTD Oct 2001-Sep 2002		Percent Change (Number)
	Number	Dollars (\$M)	Number	Dollars (\$M)	Number	Dollars (\$M)	
<b>Insurance-in-Force (Beginning)</b>							
Property Improvement	85,029	\$ 1,233.3	120,977	\$ 1,777.8	169,267	\$ 2,506.3	-29%
Manufactured Housing	38,535	\$ 1,000.7	42,170	\$ 1,068.2	51,655	\$ 1,274.0	-18%
Prepayments(-)							
Property Improvement	(2,625)	\$ (39.5)	(40,666)	\$ (601.4)	(54,768)	\$ (804.4)	-26%
Manufactured Housing	(224)	\$ (5.6)	(5,329)	\$ (126.4)	(10,786)	\$ (250.1)	-51%
Claim Terminations(-)							
Property Improvement	(37)	\$ (0.5)	(1,312)	\$ (18.2)	(1,968)	\$ (26.8)	-33%
Manufactured Housing	(11)	\$ (0.34)	(406)	\$ (11.7)	(481)	\$ (13.0)	-16%
Endorsements(+)							
Property Improvement	198	\$ 2.4	4,844	\$ 60.3	7,578	\$ 90.4	-36%
Manufactured Housing	90	\$ 3.1	2,067	\$ 70.8	1,588	\$ 51.9	30%
Adjustments							
Property Improvement	(435)	\$ (5.9)	(1,713)	\$ (28.8)	(838)	\$ (16.3)	
Manufactured Housing	(85)	\$ (2.4)	(197)	\$ (5.6)	(1)	\$ (0.2)	
<b>Insurance-in-Force (Ending)</b>							
Property Improvement	82,130	\$ 1,189.7	82,130	\$ 1,189.7	119,271	\$ 1,749.1	-31%
Manufactured Housing	38,305	\$ 995.4	38,305	\$ 995.4	41,975	\$ 1,062.7	-9%
<b>Notes (Beginning)</b>	36,276	\$ 461.4	38,228	\$ 471.8	39,160	\$ 456.4	-2%
New Cases Assigned(+)	130	\$ 1.5	2,227	\$ 25.5	2,761	\$ 30.4	-19%
Interest Accrual(+)	N/A	\$ 1.6	N/A	\$ 20.5	N/A	\$ 21.0	
Net Collections(-)	N/A	\$ (2.3)	N/A	\$ (34.4)	N/A	\$ (30.5)	
Cases Closed(-)	(307)	\$ (3.6)	(3,506)	\$ (27.0)	(2,435)	\$ (9.1)	44%
Adjustments	(375)	\$ (3.1)	(1,225)	\$ (0.9)	(1,258)	\$ 3.7	
<b>Notes (Ending)</b>	35,724	\$ 455.5	35,724	\$ 455.5	38,228	\$ 471.8	-7%

Note: Dollars represent original loan proceeds for insurance-in-force and unpaid balance for notes.

The August Title I portfolio includes cases classified as Currently Not Collectable (14,322 cases totaling \$211.2 million dollars)



## ***Commitments and GI/SRI Credit Subsidy***

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### **MMIF**

- MMIF commitments total \$179.0 billion for FY 2003.
- The MMIF commitment authority is \$165 billion.

### **GIF/SRIF**

- GIF/SRIF commitments, which, for multifamily programs, include only those programs that are in positive credit subsidy risk categories, total \$14.1 billion for fiscal year 2003.
- The GIF/SRIF commitment authority is \$23 billion.

### **GI/SRI Credit Subsidy**

- For FY 2003, there are positive credit subsidy factors for the Title I manufactured housing program and the multifamily programs.
- For FY 2003, FHA used \$1.3 million in credit subsidy.
- FHA has a total authority of only 14.9 million for FY 2003.

**Federal Housing Administration Monthly Report**  
**Commitments & Credit Subsidy**  
**By Program and Month: FY 2003**

*Dollars in Millions*

**Commitments**

<b>Fiscal Year 2003</b>	<b>MMIF</b>	<b>GI/SRIF Total</b>	<b>Section 234****</b>	<b>Section 203(k)</b>	<b>GI/SRI Other SF*</b>	<b>Title I Property Improvement</b>	<b>Title I Mobile Homes</b>	<b>GI/SRIF Multifamily**</b>
Oct	\$ 15,358.573	\$ 1,130.619	\$ 915.294	\$ 68.976	\$ 128.804	\$ 5.771	\$ 11.020	\$ 0.755
Nov	\$ 13,133.597	\$ 952.646	\$ 734.549	\$ 59.734	\$ 148.690	\$ 4.692	\$ 4.981	\$ -
Dec	\$ 12,378.255	\$ 1,062.911	\$ 840.195	\$ 63.860	\$ 144.803	\$ 6.905	\$ 7.148	\$ -
Jan	\$ 14,418.563	\$ 1,273.000	\$ 1,034.830	\$ 65.498	\$ 159.181	\$ 4.786	\$ 3.078	\$ 5.626
Feb	\$ 12,953.285	\$ 1,080.446	\$ 866.541	\$ 63.674	\$ 144.153	\$ 2.323	\$ 3.755	\$ -
Mar	\$ 15,445.369	\$ 1,073.525	\$ 861.899	\$ 48.715	\$ 155.327	\$ 3.519	\$ 4.065	\$ -
Apr	\$ 15,406.359	\$ 1,260.674	\$ 991.014	\$ 51.918	\$ 204.192	\$ 6.506	\$ 5.170	\$ 1.874
May	\$ 16,592.583	\$ 1,259.145	\$ 983.164	\$ 50.334	\$ 210.469	\$ 5.079	\$ 9.821	\$ 0.278
Jun	\$ 18,723.367	\$ 1,222.588	\$ 920.447	\$ 56.720	\$ 236.764	\$ 4.011	\$ 4.646	\$ -
Jul	\$ 17,780.558	\$ 1,261.469	\$ 933.678	\$ 51.790	\$ 260.805	\$ 8.398	\$ 6.800	\$ -
Aug	\$ 13,651.895	\$ 1,379.149	\$ 1,009.279	\$ 57.639	\$ 299.034	\$ 5.921	\$ 7.276	\$ -
Sep	\$ 13,160.689	\$ 1,174.324	\$ 1,007.562	\$ 48.079	\$ 113.209	\$ 2.397	\$ 3.077	\$ -
<b>FYTD 2003 Total</b>	<b>\$ 179,003.093</b>	<b>\$ 14,130.495</b>	<b>\$ 11,098.452</b>	<b>\$ 686.936</b>	<b>\$ 2,205.430</b>	<b>\$ 60.308</b>	<b>\$ 70.835</b>	<b>\$ 8.533</b>
<b>FY 2002 Total</b>	<b>\$ 157,030.745</b>	<b>\$ 13,336.696</b>	<b>\$ 10,363.011</b>	<b>\$ 946.667</b>	<b>\$ 1,820.041</b>	<b>\$ 90.573</b>	<b>\$ 53.746</b>	<b>\$ 62.658</b>
<b>FY 2003 Annualized</b>	<b>\$ 179,003.093</b>	<b>\$ 14,130.495</b>	<b>\$ 11,098.452</b>	<b>\$ 686.936</b>	<b>\$ 2,205.430</b>	<b>\$ 60.308</b>	<b>\$ 70.835</b>	<b>\$ 8.533</b>
<b>FY 2003 Authority</b>	<b>\$ 165,000.000</b>	<b>\$ 23,000.000</b>						

**Credit Subsidy**

<b>Fiscal Year 2003</b>	<b>MMIF</b>	<b>GI/SRIF Total</b>	<b>Section 234</b>	<b>Section 203(k)</b>	<b>GI/SRI Other SF</b>	<b>Title I Property Improvement</b>	<b>Title I Mobile Homes</b>	<b>GI/SRIF Multifamily**</b>
<i>Subsidy Factor</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>0.0014</i>	<i>Various</i>
Oct	N/A	\$ 0.063	N/A	N/A	N/A	N/A	\$ 0.015	\$ 0.048
Nov	N/A	\$ 0.007	N/A	N/A	N/A	N/A	\$ 0.007	\$ -
Dec	N/A	\$ 0.010	N/A	N/A	N/A	N/A	\$ 0.010	\$ -
Jan	N/A	\$ 0.956	N/A	N/A	N/A	N/A	\$ 0.004	\$ 0.952
Feb	N/A	\$ 0.005	N/A	N/A	N/A	N/A	\$ 0.005	\$ -
Mar	N/A	\$ 0.006	N/A	N/A	N/A	N/A	\$ 0.006	\$ -
Apr	N/A	\$ 0.215	N/A	N/A	N/A	N/A	\$ 0.007	\$ 0.208
May	N/A	\$ 0.038	N/A	N/A	N/A	N/A	\$ 0.014	\$ 0.024
Jun	N/A	\$ 0.007	N/A	N/A	N/A	N/A	\$ 0.007	\$ -
Jul	N/A	\$ 0.010	N/A	N/A	N/A	N/A	\$ 0.010	\$ -
Aug	N/A	\$ 0.010	N/A	N/A	N/A	N/A	\$ 0.010	\$ -
Sep	N/A	\$ 0.004	N/A	N/A	N/A	N/A	\$ 0.004	\$ -
<b>FYTD 2003 Total</b>	<b>N/A</b>	<b>\$ 1.331</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>\$ 0.099</b>	<b>\$ 1.232</b>
<b>FY 2002 Total</b>	<b>N/A</b>	<b>\$ 6.756</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>\$ 0.065</b>	<b>\$ 98.704</b>
<b>FY 2003 Annualized</b>	<b>N/A</b>	<b>\$ 1.331</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>\$ 0.099</b>	<b>\$ 1.232</b>
<b>FY 2003 Authority</b>	<b>N/A</b>	<b>\$ 14.902</b>						

\* includes HECMs

\*\* includes only those Multifamily programs that are in positive credit subsidy risk categories

\*\*\*\*Adjustments made to Section 234 and GI/SRI Other SF

## ***Single Family Market Comparisons***

***(Due to a lag in reporting of conventional information, these notes describe data for the previous month)***

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### **Insured Mortgage Applications**

- Total mortgage insurance applications increased 23 percent through August of this fiscal year compared to the same period in FY 2002.
- Fiscal year-to-date, FHA applications increased 30 percent; this compares to a 16 percent increase in conventional mortgage applications and a 50 percent increase in VA guarantee applications.
- FHA's share of total mortgage insurance applications was 32 percent so far this fiscal year compared to 30 percent during the same period a year ago.

### **Insured Mortgage Endorsements**

- FHA endorsements dollars are up 4 percent through August of FY2003 compared to the same period a year ago.
- FHA's share of insured mortgage endorsement dollars is 26 percent through August of FY 2003 compared to 29 percent during the same period of FY 2002.
- Fiscal year-to-date, the share of insured mortgage endorsement dollars for conventional insurers is 64 percent and VA's share is 10 percent.

### **Home Sales Market**

- The number of FHA purchase mortgages decreased 26 percent through August of FY 2003 compared to the same period a year ago.
- Overall, home sales are up 8 percent through August of FY 2003 compared to the same period in FY 2002.
- FHA's share of home sales was 9.5 percent so far this fiscal year compared to 13.7 percent for the same period in FY 2002.

## Single Family Market Comparisons

(Due to a lag in reporting of conventional information, these data are for the previous month)

Current Month Aug 2003				Current FYTD Oct 2002-Aug 2003				Prior FYTD Oct 2001-Aug 2002				Percent Change (Number)
Number		Application Share		Number		Application Share		Number		Application Share		
INSURED MORTGAGE APPLICATIONS												
Conventional	265,792	55%		3,157,629	60%		2,710,891	63%		16%		
FHA *	162,322	34%		1,668,603	32%		1,286,208	30%		30%		
VA	51,675	11%		436,525	8%		290,677	7%		50%		
TOTAL	479,789	100%		5,262,757	100%		4,287,776	100%		23%		
Number		Dollars (\$M)	Insured Share (\$)	Number		Dollars (\$M)	Insured Share (\$)	Number		Dollars (\$M)	Insured Share (\$)	Percent Change (Dollars)
INSURED MORTGAGE ENDORSEMENTS												
Conventional	232,473	\$ 34,938.3	62%	2,440,971	\$ 360,474.6	64%	2,054,792	\$ 296,872.1	63%	21%		
FHA	121,240	\$ 14,743.8	26%	1,186,307	\$ 143,025.8	26%	1,184,070	\$ 137,392.2	29%	4%		
VA	51,407	\$ 6,689.7	12%	435,282	\$ 56,289.4	10%	293,493	\$ 37,081.8	8%	52%		
TOTAL	405,120	\$ 56,371.8	100%	4,062,560	\$ 559,789.8	100%	3,532,355	\$ 471,346.1	100%	19%		
Number		FHA Share		Number		FHA Share		Number		FHA Share		Percent Change (Number)
HOMES SALES MARKET												
FHA Purchase Mortgages**	51,914	8.5%		596,107	9.5%		800,819	13.7%		-26%		
Home Sales***	611,833			6,296,167			5,843,833			8%		

\* Data for applications are for July 20, 2003 - Aug 23, 2003 for current month, Sep 22, 2002 - Aug 23, 2003 for current FYTD, and Sep 23, 2001 - Aug 24, 2002 for prior FYTD.

\*\* FHA insured minus FHA refinancings

\*\*\* Includes new and existing construction home sales and a month lag between home sale and FHA endorsement of mortgage to purchase home.

Note: Dollars represent original amounts insured